

A-Engrossed
House Bill 2265

Ordered by the House April 8
Including House Amendments dated April 8

Sponsored by Representative LIVELY; Representative WILDE (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Directs Oregon Liquor Control Commission to study cannabis. Requires report to interim committee of Legislative Assembly related to economic development.]
[Sunsets January 2, 2022.]

Directs Oregon Liquor Control Commission to establish by rule process to register medical marijuana grow sites. Defines "medical marijuana grow site." Allows medical marijuana grow sites to apply for registration not later than June 1, 2022. Establishes plant production limits for medical marijuana grow sites registered by commission.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to cannabis; creating new provisions; amending ORS 475B.136, 475B.206, 475B.477, 475B.526,
3 475B.791, 475B.810, 475B.831 and 475B.913; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 to 6 of this 2021 Act are added to and made a part of ORS 475B.010**
6 **to 475B.545.**

7 **SECTION 2. As used in sections 2 to 6 of this 2021 Act, "medical marijuana grow site":**

8 **(1) Means a location at which marijuana is produced for use by registry identification**
9 **cardholders.**

10 **(2) Does not include a marijuana grow site registered under ORS 475B.810.**

11 **SECTION 3. (1) The Oregon Liquor Control Commission shall establish by rule a process**
12 **to register medical marijuana grow sites. To hold a registration under this section, an ap-**
13 **plicant shall:**

14 **(a) Apply for a registration in the manner prescribed by the commission by rule;**

15 **(b) Provide to the commission proof that the applicant is 21 years of age or older; and**

16 **(c) Meet any other requirements established by the commission by rule.**

17 **(2) A registration issued under this section is valid for one year and may be renewed**
18 **pursuant to rules adopted by the commission.**

19 **(3)(a) An applicant for registration under this section must be an individual.**

20 **(b) A registration issued under this section may not be transferred:**

21 **(A) From the individual to whom it is issued to another individual; or**

22 **(B) To any location other than the original location at which the applicant produces**
23 **marijuana.**

24 **(4) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana**
25 **produced by the medical marijuana grow site are the property of the medical marijuana grow**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 site.

2 (5) A medical marijuana grow site may transfer:

3 (a) Subject to the limits established in ORS 475B.831 and 475B.834, the seeds, immature
4 marijuana plants and usable marijuana associated with the production of marijuana to:

5 (A) A registry identification cardholder or designated primary caregiver; or

6 (B) A medical marijuana dispensary, as defined in ORS 475B.791;

7 (b) Usable marijuana to a marijuana processing site as defined in ORS 475B.791,
8 marijuana processor licensed under ORS 475B.090 or a marijuana wholesaler licensed under
9 ORS 475B.100; and

10 (c) Subject to the limits established in ORS 475B.831 and 475B.834, marijuana seeds and
11 immature marijuana plants to another medical marijuana grow site or other person as
12 specified by the commission by rule.

13 (6) A medical marijuana grow site may receive marijuana seeds and immature marijuana
14 plants from:

15 (a) A medical marijuana grow site;

16 (b) A marijuana producer licensed under ORS 475B.070;

17 (c) A marijuana wholesaler licensed under ORS 475B.100; and

18 (d) Other persons as specified by the commission by rule.

19 (7)(a) The commission shall establish application, registration and renewal fees under this
20 section.

21 (b) Fees adopted under this section may not exceed, together with other fees collected
22 under ORS 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545.

23 (c) Moneys from fees collected under this section shall be deposited into the Marijuana
24 Control and Regulation Fund established under ORS 475B.296.

25 (8)(a) The commission shall consult with the Oregon Health Authority in adopting rules
26 under this section.

27 (b) The commission may adopt by reference rules adopted by the authority relating to
28 the regulation of the production of marijuana under ORS 475B.785 to 475B.949.

29 (c) The commission may adopt other rules as necessary to carry out this section.

30 **SECTION 4.** (1) A medical marijuana grow site registered under section 3 of this 2021
31 Act is subject to the following production limits:

32 (a) Except as provided in paragraph (c) of this subsection, if the medical marijuana grow
33 site is located within city limits in an area zoned for residential use, no more than:

34 (A) 12 mature marijuana plants;

35 (B) 24 immature marijuana plants that are 24 inches or more in height; and

36 (C) The number established by the Oregon Liquor Control Commission by rule of imma-
37 ture marijuana plants that are less than 24 inches in height.

38 (b) Except as provided in paragraph (c) of this subsection, if the medical marijuana grow
39 site is located in an area other than an area described in paragraph (a) of this subsection,
40 no more than:

41 (A) 48 mature marijuana plants;

42 (B) 96 immature marijuana plants that are 24 inches or more in height; and

43 (C) The number established by the commission by rule of immature marijuana plants
44 that are less than 24 inches in height.

45 (c) If the medical marijuana grow site, on or before April 1, 2021, is in compliance with

1 the production limits in ORS 475B.831 (3)(b) or (4)(b) in effect on January 1, 2015, was ap-
2 proved by the Oregon Health Authority as a grandfathered grow site under rules adopted by
3 the authority and:

4 (A) Is located within city limits in an area zoned for residential use, no more than:

5 (i) 24 mature marijuana plants;

6 (ii) 48 immature marijuana plants that are 24 inches or more in height; and

7 (iii) The number established by the commission by rule of immature marijuana plants
8 that are less than 24 inches in height.

9 (B) Is located in an area other than an area described in subparagraph (A) of this para-
10 graph, no more than:

11 (i) 96 mature marijuana plants;

12 (ii) 192 immature marijuana plants that are 24 inches or more in height; and

13 (iii) The number established by the commission by rule of immature marijuana plants
14 that are less than 24 inches in height.

15 (2) In adopting rules under this section, the commission shall consult with the authority
16 and may adopt by reference rules adopted by the authority relating to plant possession lim-
17 its.

18 **SECTION 5.** (1) The Oregon Liquor Control Commission shall:

19 (a) Ensure the system developed and maintained under ORS 475B.177 is capable of
20 tracking the transfer of marijuana items produced at a medical marijuana grow site regis-
21 tered under section 3 of this 2021 Act.

22 (b) Treat information related to medical marijuana grow sites registered under section
23 3 of this 2021 Act in the same manner as the information described in ORS 475B.541.

24 (2) The commission may suspend, revoke or refuse to issue a registration under section
25 3 of this 2021 Act or require a registrant or representative of a registrant to complete
26 training specified by the commission if the commission finds, or has reasonable grounds to
27 believe, that the registrant or representative of the registrant:

28 (a) Has violated a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS
29 475B.010 to 475B.545;

30 (b) Has made any false representation or statement to the commission in order to induce
31 or prevent action by the commission;

32 (c) Is insolvent or incompetent or physically unable to carry on the management of the
33 medical marijuana grow site;

34 (d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled
35 substances to excess;

36 (e) Has misrepresented to a registry identification cardholder, consumer or the public
37 any marijuana items transferred by the registrant or representative of the registrant; or

38 (f) Since the issuance of a registration under section 3 of this 2021 Act, has been con-
39 victed of a felony, violating any of the marijuana laws of this state or ordinances of a local
40 government in this state or any misdemeanor if the felony, violation or misdemeanor was
41 committed on the premises for which the registration was issued.

42 (3) Adopt rules as necessary to carry out this section.

43 **SECTION 6.** (1) In addition to any other penalty provided by law, the Oregon Liquor
44 Control Commission may impose, for each violation of ORS 475B.010 to 475B.545 or of a rule
45 adopted under ORS 475B.010 to 475B.545, by a medical marijuana grow site a civil penalty that

1 **does not exceed \$500 for each day that the violation occurs.**

2 **(2) The commission shall impose civil penalties under this section in the manner provided**
3 **in ORS 183.745.**

4 **(3) All moneys collected pursuant to this section shall be deposited into the Marijuana**
5 **Control and Regulation Fund established under ORS 475B.296.**

6 **SECTION 7.** ORS 475B.136 is amended to read:

7 475B.136. (1) To produce marijuana for medical purposes, a marijuana producer that holds a li-
8 cense issued under ORS 475B.070 must register with the Oregon Liquor Control Commission under
9 this section.

10 (2) The commission shall register a marijuana producer for the purpose of producing marijuana
11 for medical purposes if the marijuana producer:

12 (a) Holds a license issued under ORS 475B.070;

13 (b) Meets any qualifications adopted by the commission by rule;

14 (c) Applies to the commission in a form and manner prescribed by the commission; and

15 (d) Pays any fee adopted by the commission by rule.

16 (3) Subject to subsection (4) of this section, a marijuana producer registered under this section
17 may produce marijuana plants on a medically designated grow canopy in addition to producing
18 marijuana plants on the grow canopy allowed under rules adopted under ORS 475B.085. The com-
19 mission shall specify the size of medically designated grow canopies by rule, provided that the size
20 of any medically designated grow canopy does not exceed 10 percent of the total size of both the
21 medically designated grow canopy and the grow canopy allowed under rules adopted under ORS
22 475B.085 at the time that the marijuana producer applies for registration under this section.

23 (4) A marijuana producer registered under this section must provide, for no consideration, at
24 least 75 percent of the annual yield of usable marijuana harvested from the marijuana producer's
25 medically designated grow canopy to registry identification cardholders and designated primary
26 caregivers.

27 (5) A marijuana producer registered under this section may not, during a single transaction,
28 provide a registry identification cardholder or the designated primary caregiver of a registry iden-
29 tification cardholder an amount of usable marijuana that exceeds the amount of usable marijuana
30 that a registry identification cardholder and a designated primary caregiver may jointly possess
31 under ORS 475B.834.

32 (6) A marijuana producer registered under this section may provide immature marijuana plants
33 to a person responsible for a marijuana grow site registered under ORS 475B.810, **a medical**
34 **marijuana grow site**, a registry identification cardholder or a designated primary caregiver of a
35 registry identification cardholder.

36 (7)(a) The commission shall adopt rules necessary to administer this section.

37 (b) The rules must establish sanctions for failure to meet the requirements of this section or a
38 rule adopted under this section, including revocation of permission for the marijuana producer's
39 medically designated grow canopy.

40 (c) The rules must provide that any fee adopted by the commission under subsection (2)(d) of this
41 section be in an amount reasonably calculated to not exceed, together with other fees collected
42 under ORS 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545.

43 **SECTION 8.** ORS 475B.206 is amended to read:

44 475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 **and section 3 of this 2021**
45 **Act**, a marijuana producer that holds a license issued under ORS 475B.070, marijuana processor that

1 holds a license issued under ORS 475B.090 [or], marijuana wholesaler that holds a license issued
2 under ORS 475B.100 **or medical marijuana grow site registered under section 3 of this 2021**
3 **Act** may deliver marijuana items only to or on a premises for which a license has been issued under
4 ORS 475B.070, 475B.090, 475B.100 or 475B.105, or to a registry identification cardholder or desig-
5 nated primary caregiver as allowed under ORS 475B.010 to 475B.545.

6 (2) **Except as provided in section 3 of this 2021 Act for medical marijuana grow sites**, a
7 licensee to which marijuana items may be delivered under subsection (1) of this section may receive
8 marijuana items only from:

9 (a) A marijuana producer that holds a license issued under ORS 475B.070, marijuana processor
10 that holds a license issued under ORS 475B.090, marijuana wholesaler that holds a license issued
11 under ORS 475B.100, marijuana retailer that holds a license issued under ORS 475B.105 or a labo-
12 ratory licensed under ORS 475B.560;

13 (b) A researcher of cannabis that holds a certificate issued under ORS 475B.286 and that
14 transfers limited amounts of marijuana, usable marijuana, cannabinoid products, cannabinoid con-
15 centrates and cannabinoid extracts in accordance with procedures adopted under ORS 475B.286
16 (3)(d) and (e);

17 (c) A marijuana grow site registered under ORS 475B.810, marijuana processing site registered
18 under ORS 475B.840, or a medical marijuana dispensary registered under ORS 475B.858, acting in
19 accordance with procedures adopted by the Oregon Liquor Control Commission under ORS 475B.167;
20 [or]

21 (d) A marijuana grow site registered under ORS 475B.810[,] acting in accordance with ORS
22 475B.825 and any procedures adopted by rule by the commission; **or**

23 (e) **A medical marijuana grow site registered under section 3 of this 2021 Act acting in**
24 **accordance with section 3 of this 2021 Act and any procedures adopted by rule by the com-**
25 **mission.**

26 (3) The sale of marijuana items by a marijuana retailer that holds a license issued under ORS
27 475B.105 must be restricted to the premises for which the license has been issued, but deliveries
28 may be made by a marijuana retailer to consumers pursuant to a bona fide order received at the
29 premises prior to delivery.

30 (4) The commission may by order waive the requirements of subsections (1) and (2) of this sec-
31 tion to ensure compliance with ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to
32 475B.545. An order issued under this subsection does not constitute a waiver of any other require-
33 ment of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010 to 475B.545.

34 **SECTION 9.** ORS 475B.477 is amended to read:

35 475B.477. (1) As used in this section, “designated primary caregiver,” “immature marijuana
36 plant,” “marijuana,” “medical cannabinoid product” and “registry identification cardholder” have
37 the meanings given those terms in ORS 475B.791.

38 (2) A city or county may not adopt an ordinance, by referral or otherwise, that prohibits or
39 otherwise limits:

40 (a) The privileges described in ORS 475B.301; [or]

41 (b) The right of a registry identification cardholder and the designated primary caregiver of a
42 registry identification cardholder to:

43 (A) Possess the seeds of marijuana, immature marijuana plants or medical cannabinoid products
44 as described in ORS 475B.785 to 475B.949; **or**

45 [(B) *Jointly possess up to six mature marijuana plants and up to 12 immature marijuana plants*

1 under ORS 475B.831 (1); or]

2 [(C)] (B) Jointly possess up to 24 ounces of usable marijuana under ORS 475B.834 (1)[.]; or

3 (c) **The right of a person designated to produce marijuana under ORS 475B.810 to produce**
4 **up to the number of marijuana plants described in ORS 475B.831 (3).**

5 **SECTION 10.** ORS 475B.526 is amended to read:

6 475B.526. (1) Marijuana is:

7 (a) A crop for the purposes of “farm use” as defined in ORS 215.203;

8 (b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;

9 (c) A product of farm use as described in ORS 308A.062; and

10 (d) The product of an agricultural activity for purposes of ORS 568.909.

11 (2) Notwithstanding ORS chapters 195, 196, 197, 215 and 227, the following are not permitted
12 uses on land designated for exclusive farm use:

13 (a) A new dwelling used in conjunction with a marijuana crop;

14 (b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with
15 a marijuana crop; and

16 (c) A commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in
17 conjunction with a marijuana crop.

18 (3) A county may allow the production of marijuana as a farm use on land zoned for farm or
19 forest use in the same manner as the production of marijuana is allowed in exclusive farm use zones
20 under this section and ORS 215.213, 215.283 and 475B.063.

21 (4) This section applies to:

22 (a) Marijuana producers that hold a license issued under ORS 475B.070;

23 (b) Persons registered under ORS 475B.810 and designated to produce marijuana by one or more
24 persons who hold valid registry identification cards issued under ORS 475B.797; [and]

25 (c) For the purpose of producing marijuana or propagating immature marijuana plants, re-
26 searchers of cannabis that hold a certificate issued under ORS 475B.286; and

27 **(d) Medical marijuana grow sites registered under section 3 of this 2021 Act.**

28 **SECTION 11.** ORS 475B.791 is amended to read:

29 475B.791. As used in ORS 475B.785 to 475B.949:

30 (1) “Attending physician” means a physician licensed under ORS chapter 677 who has primary
31 responsibility for the care and treatment of a person diagnosed with a debilitating medical condition.

32 (2) “Cannabinoid” means any of the chemical compounds that are the active constituents of
33 marijuana.

34 (3) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from
35 marijuana by:

36 (a) A mechanical extraction process;

37 (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as vegetable
38 glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

39 (c) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, provided
40 that the process does not involve the use of high heat or pressure; or

41 (d) Any other process identified by the Oregon Health Authority, in consultation with the
42 Oregon Liquor Control Commission, by rule.

43 (4) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,
44 cannabinoid extract or dried leaves or flowers of marijuana have been incorporated.

45 (5) “Cannabinoid extract” means a substance obtained by separating cannabinoids from

1 marijuana by:

2 (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane
3 or propane;

4 (b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the
5 process uses high heat or pressure; or

6 (c) Any other process identified by the Oregon Health Authority, in consultation with the
7 Oregon Liquor Control Commission, by rule.

8 (6) “Debilitating medical condition” means:

9 (a) Cancer, glaucoma, a degenerative or pervasive neurological condition, positive status for
10 human immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to
11 the treatment of those medical conditions;

12 (b) A medical condition or treatment for a medical condition that produces, for a specific pa-
13 tient, one or more of the following:

14 (A) Cachexia;

15 (B) Severe pain;

16 (C) Severe nausea;

17 (D) Seizures, including seizures caused by epilepsy; or

18 (E) Persistent muscle spasms, including spasms caused by multiple sclerosis;

19 (c) Post-traumatic stress disorder; or

20 (d) Any other medical condition or side effect related to the treatment of a medical condition
21 adopted by the Oregon Health Authority by rule or approved by the authority pursuant to a petition
22 filed under ORS 475B.946.

23 (7)(a) “Delivery” has the meaning given that term in ORS 475.005.

24 (b) “Delivery” does not include transfer of marijuana by a registry identification cardholder to
25 another registry identification cardholder if no consideration is paid for the transfer.

26 (8)(a) “Designated primary caregiver” means an individual:

27 (A) Who is 18 years of age or older;

28 (B) Who has significant responsibility for managing the well-being of a person who has been
29 diagnosed with a debilitating medical condition; and

30 (C) Who is designated as the person responsible for managing the well-being of a person who
31 has been diagnosed with a debilitating medical condition on that person’s application for a registry
32 identification card or in other written notification submitted to the authority.

33 (b) “Designated primary caregiver” does not include a person’s attending physician.

34 (9) “High heat” means a temperature exceeding 180 degrees.

35 (10) “Immature marijuana plant” means a marijuana plant that is not flowering.

36 (11)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
37 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

38 (b) “Marijuana” does not include:

39 (A) Industrial hemp, as defined in ORS 571.269; or

40 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
41 or more cannabinoids, that are approved by the United States Food and Drug Administration and
42 dispensed by a pharmacy, as defined in ORS 689.005.

43 (12) “Marijuana grow site” means a location registered under ORS 475B.810 where marijuana
44 is produced for use by a registry identification cardholder.

45 (13) “Marijuana processing site” means a marijuana processing site registered under ORS

1 475B.840 or a site for which an applicant has submitted an application for registration under ORS
2 475B.840.

3 (14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
4 plant.

5 (15)(a) “Medical cannabinoid product” means a cannabinoid edible and any other product in-
6 tended for human consumption or use, including a product intended to be applied to a person’s skin
7 or hair, that contains cannabinoids or dried leaves or flowers of marijuana.

8 (b) “Medical cannabinoid product” does not include:

9 (A) Usable marijuana by itself;

10 (B) A cannabinoid concentrate by itself;

11 (C) A cannabinoid extract by itself; or

12 (D) Industrial hemp, as defined in ORS 571.269.

13 (16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under
14 ORS 475B.858 or a site for which an applicant has submitted an application for registration under
15 ORS 475B.858.

16 (17) “Medical use of marijuana” means the production, processing, possession, delivery or ad-
17 ministration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the
18 symptoms or effects of a debilitating medical condition.

19 (18) “Person designated to produce marijuana by a registry identification cardholder” means a
20 person designated to produce marijuana by a registry identification cardholder under ORS 475B.810
21 who produces marijuana for a registry identification cardholder at an address other than the address
22 where the registry identification cardholder resides [*or at an address where more than 12 mature*
23 *marijuana plants are produced*].

24 (19) “Process” means the compounding or conversion of marijuana into medical cannabinoid
25 products, cannabinoid concentrates or cannabinoid extracts.

26 (20) “Production” means:

27 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or

28 (b) Drying marijuana leaves or flowers.

29 (21) “Registry identification card” means a document issued by the Oregon Health Authority
30 under ORS 475B.797 that identifies a person authorized to engage in the medical use of marijuana
31 and, if the person has a designated primary caregiver under ORS 475B.804, the person’s designated
32 primary caregiver.

33 (22) “Registry identification cardholder” means a person to whom a registry identification card
34 has been issued under ORS 475B.797.

35 (23)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

36 (b) “Usable marijuana” does not include:

37 (A) The seeds, stalks and roots of marijuana; or

38 (B) Waste material that is a by-product of producing marijuana.

39 (24) “Written documentation” means a statement signed by the attending physician of a person
40 diagnosed with a debilitating medical condition or copies of the person’s relevant medical records.

41 **SECTION 12.** ORS 475B.810 is amended to read:

42 475B.810. (1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site
43 registration system to track and regulate the production of marijuana by a registry identification
44 cardholder or a person designated by the registry identification cardholder to produce marijuana for
45 the registry identification cardholder.

1 (b) Except as provided in paragraph (c) of this subsection, a person may not produce marijuana
2 unless the person is registered under this section.

3 (c) Paragraph (b) of this subsection does not apply to the production of marijuana as provided
4 in ORS 475B.010 to 475B.545 or as otherwise provided for by the statutory laws of this state.

5 (2) Rules adopted under this section must require an applicant for a registry identification card,
6 or a registry identification cardholder who produces marijuana or who designates another person
7 to produce marijuana, to submit an application to the authority containing the following information
8 at the time of making an application under ORS 475B.797 (2), renewing a registry identification card
9 under ORS 475B.797 (6)(b), or notifying the authority of a change under ORS 475B.797 (6)(a):

10 (a) The name of the person responsible for the marijuana grow site;

11 (b) Proof that the person is 21 years of age or older;

12 (c) If the registry identification cardholder or the person responsible for the marijuana grow site
13 is not the owner of the premises of the marijuana grow site, signed informed consent from the owner
14 of the premises to register the premises as a marijuana grow site;

15 (d) The address of the marijuana grow site; and

16 (e) Any other information that the authority considers necessary to track the production of
17 marijuana under ORS 475B.785 to 475B.949.

18 (3)(a) The authority shall conduct a criminal records check under ORS 181A.195 of any person
19 whose name is submitted under this section as the person responsible for a marijuana grow site.

20 (b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the
21 manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or
22 be designated a person responsible for a marijuana grow site for two years from the date of con-
23 viction.

24 (c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to
25 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may
26 not act as or be designated a person responsible for a marijuana grow site.

27 (4) Subject to subsection [(11)] (12) of this section, the authority shall issue a marijuana grow
28 site registration card if the requirements of subsections (2) and (3) of this section are met.

29 (5) A person who holds a marijuana grow site registration card under this section must display
30 the card at the marijuana grow site at all times.

31 (6) A marijuana grow site registration card must be obtained and posted for each registry
32 identification cardholder for whom marijuana is being produced at a marijuana grow site.

33 (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana as-
34 sociated with the production of marijuana for a registry identification cardholder by a person re-
35 sponsible for a marijuana grow site are the property of the registry identification cardholder.

36 (b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana asso-
37 ciated with the production of marijuana for a registry identification cardholder by a person re-
38 sponsible for a marijuana grow site must be transferred to the registry identification cardholder
39 upon the request of the registry identification cardholder.

40 (c) All usable marijuana associated with the production of marijuana for a registry identification
41 cardholder by a person responsible for a marijuana grow site must be transferred to a marijuana
42 processing site upon the request of the registry identification cardholder. For purposes of this par-
43 agraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the
44 usable marijuana.

45 (d) All seeds, immature marijuana plants and usable marijuana associated with the production

1 of marijuana for a registry identification cardholder by a person responsible for a marijuana grow
2 site must be transferred to a medical marijuana dispensary upon request of the registry identifica-
3 tion cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana
4 plants or usable marijuana constitutes an assignment of the right to possess the seeds, immature
5 marijuana plants or usable marijuana.

6 (e) Information related to transfers made under this subsection must be submitted to the au-
7 thority in the manner required by ORS 475B.816.

8 (8) A registry identification cardholder, or the designated caregiver of a registry identification
9 cardholder, may reimburse a person responsible for a marijuana grow site for all costs associated
10 with the production of marijuana for the registry identification cardholder.

11 (9) The authority may inspect:

12 (a) The marijuana grow site of a person designated to produce marijuana by a registry identifi-
13 cation cardholder to ensure compliance with this section and ORS 475B.816 and 475B.831 and any
14 rule adopted under this section and ORS 475B.816 and 475B.831; and

15 (b) The records of the marijuana grow site of a person designated to produce marijuana by a
16 registry identification cardholder to ensure compliance with this section and ORS 475B.816 and any
17 rule adopted under this section and ORS 475B.816.

18 (10) The authority may refuse to register a registry identification cardholder or a designee under
19 this section or may suspend or revoke the registration of a person responsible for a marijuana grow
20 site if the authority determines that the applicant or the person responsible for a marijuana grow
21 site violated a provision of ORS 475B.785 to 475B.949, a rule adopted under ORS 475B.785 to
22 475B.949 or an ordinance adopted pursuant to ORS 475B.928.

23 **(11) A marijuana grow site registered under this section may not produce marijuana for**
24 **more than two registry identification cardholders.**

25 [(11)] (12) The authority may require a person responsible for a marijuana grow site, prior to
26 issuing a marijuana grow site registration card under subsection (4) of this section, to pay a fee
27 reasonably calculated to pay costs incurred under this section and ORS 475B.816 and 475B.879.

28 **SECTION 13.** ORS 475B.831 is amended to read:

29 475B.831. (1)[(a)] A registry identification cardholder and the designated primary caregiver of
30 the registry identification cardholder may jointly possess:

31 [(A)] (a) Six or fewer mature marijuana plants; and

32 [(B)] (b) Twelve or fewer immature marijuana plants.

33 [(b)(A) *Unless an address is the marijuana grow site of a person designated to produce marijuana*
34 *by a registry identification cardholder, the address where a registry identification cardholder or the*
35 *primary caregiver of a registry identification cardholder produces marijuana may be used to produce*
36 *not more than:*]

37 [(i) *Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature*
38 *marijuana plants; and*]

39 [(ii) *Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24*
40 *immature marijuana plants.*]

41 [(B) *Except as provided in subparagraph (C) of this paragraph, an address that is subject to this*
42 *paragraph may not be used to produce plants in the genus Cannabis within the plant family*
43 *Cannabaceae pursuant to ORS 475B.301.*]

44 [(C) *Subject to subparagraph (D) of this paragraph, an address that is subject to this paragraph*
45 *may be used to produce plants in the genus Cannabis within the plant family Cannabaceae pursuant*

1 to ORS 475B.301 if a person other than a registry identification cardholder who is using the address
2 to produce marijuana plants pursuant to ORS 475B.785 to 475B.949 resides at the address.]

3 [(D) An address that is subject to this paragraph may not be used to produce more than 12 total
4 mature marijuana plants.]

5 [(2)(a)] (2) A person may be designated to produce marijuana under ORS 475B.810 by no more
6 than [eight] **two** registry identification cardholders.

7 [(b)] (3) A person responsible for a marijuana grow site may produce for a registry identification
8 cardholder who designates the person to produce marijuana no more than:

9 [(A)] (a) Six mature marijuana plants;

10 [(B)] (b) 12 immature marijuana plants that are 24 inches or more in height; and

11 [(C)] (c) The [amount,] **number** established by the Oregon Health Authority by rule[,] of imma-
12 ture marijuana plants that are less than 24 inches in height.

13 [(3) If the address of a person responsible for a marijuana grow site registered under ORS
14 475B.810 is located within city limits in an area zoned for residential use:]

15 [(a) Except as provided in paragraph (b) of this subsection, no more than the following amounts
16 of marijuana plants may be produced at the address:]

17 [(A) 12 mature marijuana plants;]

18 [(B) 24 immature marijuana plants that are 24 inches or more in height; and]

19 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
20 than 24 inches in height; or]

21 [(b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site
22 located at the address first registered with the authority under ORS 475B.810 before January 1, 2015,
23 no more than the following amounts of marijuana plants may be produced at the address:]

24 [(A) The amount of mature marijuana plants located at that address on December 31, 2014, in ex-
25 cess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants;]

26 [(B) 48 immature marijuana plants that are 24 inches or more in height; and]

27 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
28 than 24 inches in height.]

29 [(4) If the address of a person responsible for a marijuana grow site registered under ORS
30 475B.810 is located in an area other than an area described in subsection (3) of this section:]

31 [(a) Except as provided in paragraph (b) of this subsection, no more than the following amounts
32 of marijuana plants may be produced at the address:]

33 [(A) 48 mature marijuana plants;]

34 [(B) 96 immature marijuana plants that are 24 inches or more in height; and]

35 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
36 than 24 inches in height; or]

37 [(b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana
38 grow site located at the address first registered with the authority under ORS 475B.810 before January
39 1, 2015, no more than the following amounts of marijuana plants may be produced at the address:]

40 [(A) The amount of mature marijuana plants located at that address on December 31, 2014, in ex-
41 cess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;]

42 [(B) 192 immature marijuana plants that are 24 inches or more in height; and]

43 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
44 than 24 inches in height.]

45 [(5)(a) If the authority suspends or revokes the registration of a person responsible for a marijuana

1 grow site that is located at an address described in subsection (3)(b) of this section, no more than the
2 following amounts of marijuana plants may subsequently be produced at any address described in
3 subsection (3) of this section at which the person responsible for the marijuana grow site produces
4 marijuana:]

5 [(A) 12 mature marijuana plants;]

6 [(B) 24 immature marijuana plants that are 24 inches or more in height; and]

7 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
8 than 24 inches in height.]

9 [(b) If the authority suspends or revokes the registration of a person responsible for a marijuana
10 grow site that is located at an address described in subsection (4)(b) of this section, no more than the
11 following amounts of marijuana plants may subsequently be produced at any address described in
12 subsection (4) of this section at which the person responsible for the marijuana grow site produces
13 marijuana:]

14 [(A) 48 mature marijuana plants;]

15 [(B) 96 immature marijuana plants that are 24 inches or more in height; and]

16 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less
17 than 24 inches in height.]

18 [(6) If a registry identification cardholder who designated a person to produce marijuana for the
19 registry identification cardholder pursuant to ORS 475B.810 terminates the designation, the person re-
20 sponsible for the marijuana grow site whose designation has been terminated may not be designated
21 to produce marijuana by another registry identification cardholder, except that the person may be des-
22 ignated by another registry identification cardholder if no more than 48 mature marijuana plants and
23 no more than 96 immature marijuana plants that are 24 or more inches in height are produced at the
24 address for the marijuana grow site at which the person produces marijuana.]

25 [(7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons re-
26 sponsible for a marijuana grow site under ORS 475B.810 are located at the same address, the persons
27 designated to produce marijuana by registry identification cardholders who are located at that address
28 may collectively produce marijuana plants for any number of registry identification cardholders who
29 designate the persons to produce marijuana.]

30 **(4)(a) Subject to paragraph (b) of this subsection, an address at which a marijuana grow**
31 **site is located may be used to produce plants in the genus Cannabis within the plant family**
32 **Cannabaceae pursuant to ORS 475B.301.**

33 **(b) An address described in this subsection may not be used to produce more than 12**
34 **total mature marijuana plants.**

35 [(8)] **(5)** If a law enforcement officer determines that there is a number of marijuana plants at
36 an address in excess of the quantities specified in this section, or that an address is being used to
37 produce a number of marijuana plants in excess of the quantities specified in subsection [(1)(b)] **(3)**
38 **or (4)** of this section, the law enforcement officer may confiscate only the excess number of
39 marijuana plants.

40 **SECTION 14.** ORS 475B.913 is amended to read:

41 475B.913. (1) Except as provided in ORS 475B.910, a person has an affirmative defense to a
42 criminal charge of possession, delivery or manufacture of marijuana, or any other criminal offense
43 in which possession, delivery or manufacture of marijuana is an element, if the person charged with
44 the offense:

45 (a) Was diagnosed with a debilitating medical condition within 12 months of the date on which

1 the person was arrested and was advised by the person's attending physician that the medical use
2 of marijuana may mitigate the symptoms or effects of that debilitating medical condition;

3 (b) Is engaged in the medical use of marijuana; and

4 (c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS
5 475B.831.

6 (2) A person does not need to lawfully possess a registry identification card to assert the affir-
7 mative defense established in this section.

8 (3) A person engaged in the medical use of marijuana who claims that marijuana provides med-
9 ically necessary benefits and who is charged with a crime pertaining to the use of marijuana is not
10 precluded from presenting a defense of choice of evils, as set forth in ORS 161.200, or from pre-
11 senting evidence supporting the necessity of marijuana for treatment of a specific disease or medical
12 condition, provided that:

13 (a) The person possesses, delivers or manufactures marijuana only as permitted under ORS
14 475B.831 [(1)]; and

15 (b) The person has taken a substantial step toward complying with the provisions of ORS
16 475B.785 to 475B.949.

17 (4) A defendant proposing to use the affirmative defense established in this section in a criminal
18 action shall, not less than five days before the trial of the cause, file and serve upon the district
19 attorney a written notice of the intention to assert the affirmative defense. The notice must specif-
20 ically state the reasons why the defendant is entitled to assert the affirmative defense and the fac-
21 tual basis for the affirmative defense. If the defendant fails to file and serve the notice, the defendant
22 is not permitted to assert the affirmative defense at the trial of the cause unless the court orders,
23 for good cause, otherwise.

24 **SECTION 15. (1) Sections 2 to 6 of this 2021 Act and the amendments to ORS 475B.136,**
25 **475B.206, 475B.477, 475B.526, 475B.791, 475B.810, 475B.831 and 475B.913 by sections 7 to 14 of**
26 **this 2021 Act become operative on January 1, 2022.**

27 **(2) The Oregon Health Authority and the Oregon Liquor Control Commission may take**
28 **any action before the operative date specified in subsection (1) of this section that is neces-**
29 **sary to enable the authority or the commission to exercise, on or after the operative date**
30 **specified in subsection (1) of this section, all of the duties, functions and powers conferred**
31 **on the authority and the commission by sections 2 to 6 of this 2021 Act and the amendments**
32 **to ORS 475B.136, 475B.206, 475B.477, 475B.526, 475B.791, 475B.810, 475B.831 and 475B.913 by**
33 **sections 7 to 14 of this 2021 Act.**

34 **SECTION 16. (1) Until June 1, 2022, the Oregon Health Authority may renew a registra-**
35 **tion issued under ORS 475B.810 if the initial registration was issued before September 1, 2021.**

36 **(2) On or after September 1, 2021, the authority may not:**

37 **(a) Register a marijuana grow site under ORS 475B.810 that produces marijuana for more**
38 **than two registry identification cardholders, regardless of the number of persons designated**
39 **to produce marijuana by registry identification cardholders at the marijuana grow site; or**

40 **(b) Collect fees for the issuance of initial registration of marijuana grow sites described**
41 **in paragraph (a) of this subsection.**

42 **SECTION 17. (1) Not later than June 1, 2022, a medical marijuana grow site may apply**
43 **to the Oregon Liquor Control Commission for registration under section 3 of this 2021 Act**
44 **if:**

45 **(a) The medical marijuana grow site is a marijuana grow site registered with the Oregon**

1 **Health Authority under ORS 475B.810 on February 1, 2021;**

2 **(b) Before September 1, 2021, the medical marijuana grow site is designated to produce**
3 **marijuana for three or more registry identification cardholders or is a marijuana grow site**
4 **at which marijuana is produced by three or more persons designated to produce marijuana;**
5 **and**

6 **(c) Before September 1, 2021, the medical marijuana grow site is subject to tracking un-**
7 **der ORS 475B.177.**

8 **(2)(a) Notwithstanding section 3 (4) of this 2021 Act, not later than June 1, 2022, a regis-**
9 **try identification cardholder who designated a person to produce marijuana under ORS**
10 **475B.810 may request that the person designated to produce marijuana transfer to the reg-**
11 **istry identification cardholder all seeds, immature marijuana plants, mature marijuana**
12 **plants and usable marijuana produced for the registry identification cardholder if the person**
13 **designated to produce marijuana applies for a medical marijuana grow site registration under**
14 **section 3 of this 2021 Act.**

15 **(b) A person to whom a request described in paragraph (a) of this subsection is made**
16 **shall transfer the requested objects to the registry identification cardholder as soon as pos-**
17 **sible after the request is made.**

18 **(3) The registration under ORS 475B.810 of a marijuana grow site at which marijuana is**
19 **produced for three or more registry identification cardholders, or by three or more persons**
20 **designated to produce marijuana for registry identification cardholders, and that does not**
21 **apply for registration under section 3 of this 2021 Act by June 1, 2022, expires on June 1, 2022.**
22 **The expiration of a registration under this subsection may not be appealed. A marijuana**
23 **grow site described in this subsection may not produce marijuana after September 1, 2022.**

24 **SECTION 18. This 2021 Act being necessary for the immediate preservation of the public**
25 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
26 **on its passage.**

27